102D CONGRESS
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HOUSE OF REPRESENTATIVES
REPORT
102-102

GARY REGIONAL AIRPORT, GARY, INDIANA

JUNE 7, 1991.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. ROE, from the Committee on Public Works and Transportation, submitted the following

REPORT

[To accompany H.R. 470]

[Including cost estimate of the Congressional Budget Office]

The Committee on Public Works and Transportation, to whom was referred the bill (H.R. 470) to authorize the Secretary of Transportation to release the restrictions, requirements, and conditions imposed in connection with the conveyance of certain lands to the city of Gary, Indiana, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. RELEASE OF CERTAIN RESTRICTIONS.

(a) RELEASE.—Notwithstanding section 16 of the Federal Airport Act (as in effect on May 29, 1947), the Secretary of Transportation is authorized, subject to the provisions of section 4 of the Act of October 1, 1949 (50 U.S.C. App. 1622c), and the provisions of subsection (c), to grant a release or releases, without monetary consideration, with respect to the restrictions, requirements, and conditions imposed on the property described in subsection (b) by a quitclaim deed conveying such property to the city of Gary, Lake County, Indiana, dated May 29, 1947.

(b) DESCRIPTION OF PROPERTY.—Those lands incorporated in the Reconstruction Finance Corporation project known as Tracts A and C of Plancer 1035, Rubber Synthetics, Gary, Indiana (WAA No. R-Ind. 6), legally described as follows:

That part of the east one-half of section 35, township 37, range 9 west of the second principal meridian, lying between the C.L.S. & E. Railroad and the Grand Calumet River, and that part of the west one-half of section 36, township 37, range 9 west, lying between United States Highway 12 and the Grand Calumet River, and that part of the southeast quarter of section 36, township 37, range 9 west, lying between United States Highway 12 and the Grand Calumet River, and that part of the southeast quarter of section 26, township 37, range 9 west, lying between the C.L.S. & E. Railroad and United States Highway 12, all in the city of Gary, Lake County, Indiana. Tract A is composed of 476.885 acres,

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and Tract C is composed of 133.971 acres. Total area is approximately 610 acres, with all its appurtenances, being a part of the same property acquired by the Defense Plant Corporation under that certain warranty deed executed by the Gary Land Company, an Indiana corporation, dated August 25, 1942, and filed for record in the Recorder's Office of Lake County, Indiana, on October 9, 1942, as document number 742127, in book number 666, page 278, and that certain warranty deed executed by the Elgin, Joliet and Eastern Railroad Company, an Illinois and Indiana corporation, dated December 22, 1942, and filed for record in the Recorder's Office of Lake County, Indiana, on December 23, 1942, as document number 82584, in book 670, page 68.

(c) LIMITATION ON USE OF AMOUNTS RECEIVED.—Any amounts received by the city of Gary, Indiana, for use of property governed by a release granted by the Secretary of Transportation under this section shall be used by the city for development, improvement, operation, or maintenance of the Gary Regional Airport.

H.R. 470, as amended by the Committee, authorizes the Secretary of Transportation to release restrictions imposed in connection with the conveyance of certain airport lands to the City of Gary, Indiana.

BACKGROUND

During the 1940s, the Federal Government deeded to numerous communities across the country, airfields that had been developed as military training and support facilities during World War II. At the end of the War, the Federal Government conveyed these facilities to local governments to promote and develop civil aviation.

In 1947, under the authority of section 16 of the Federal Airport Act of 1946, the City of Gary was conveyed what is now the Gary Regional Airport. Section 16 provides, in part, "* * * that the property interest conveyed shall automatically revert to the United States in the event that the lands in question are not developed, or cease to be used, for airport purposes." Notwithstanding section 16's condition, H.R. 470 would allow Gary to use a certain parcel of the airport property for other purposes.

NEED FOR THE LEGISLATION

The City of Gary plans to use the property in question to develop a foreign trade zone at the Gary Regional Airport. Since a foreign trade zone is technically not an "airport purpose," a release from the section 16 restrictions is required in order for Gary's foreign trade zone plan to go forward. The Committee has been informed by the Federal Aviation Administration that establishment of a foreign trade zone at the Gary Regional Airport would not interfere with the operation of the airport, so there is no practical diminution of the U.S. Government's interest in seeing the land used strictly for airport purposes.

As further background, a foreign trade zone is a special enclosed area at a port of entry into which foreign products or merchandise can be brought for storage, sale, exhibition, distribution, assembly or manufacturing without being subjected to duty or formal entry procedures until the products leave for domestic sale. Foreign trade zones are supervised by the U.S. Customs Services and are usually established for job creation and economic development purposes.

SECTION-BY-SECTION DESCRIPTION

Section 1(a) releases the City of Gary from certain restrictions regarding the use of the property that were imposed when the property was conveyed from the U.S. Government to Gary.

Section 1(b) provides a legal description of the parcel of property that would be released from the use restriction.

Section 1(c) provides that any amounts received by the City of Gary for use of the property shall be used for development, improvement, operation or maintenance of the Gary Regional Airport.

COMMITTEE ACTION AND VOTE

With respect to clause 2(l)(2) (a) and (b) of rule XI of the Rules of the House of Representatives, the Committee with a majority present favorably reported H.R. 470, as amended, by a voice vote on May 21, 1991.

Prior to the Committee's action, the Subcommittee on Aviation favorably reported H.R. 470 to the Committee on May 1, 1991.

OVERSIGHT FINDINGS AND RECOMMENDATIONS

With respect to clause 2(l)(3)(A) of rule XI of the Rules of the House of Representatives, the Committee reports that the Subcommittee on Investigations and Oversight has held no hearings on the subject of H.R. 470.

With respect to clause 2(l)(3)(D) of rule XI of the Rules of the House of Representatives, the Committee has not received a report from the Committee on Government Operations pertaining to the subject matter of the legislation.

CONGRESSIONAL BUDGET ACT REQUIREMENTS

With respect to clause 2(l)(3)(B) of the Rules of the House of Representatives, and in compliance with section 308(a) of the Congressional Budget Act of 1974, a section 308(a) report is not required because H.R. 470 does not provide any new budget authority or new or increased tax expenditures.

With respect to clause 2(l)(3)(C) of rule XI of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the following report has been received from Congressional Budget Office.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 22, 1991.

Hon. ROBERT A. ROE,
Chairman, Committee on Public Works and Transportation, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed H.R. 470, a bill to authorize the Secretary of Transportation to release the restrictions, requirements, and conditions imposed in connection with the conveyance of certain lands to the city of Gary, Indiana. The bill was ordered reported by the House Committee on Public Works and Transportation on May 21, 1991. CBO estimates

that no cost to the federal government or to state or local governments would result from enactment of this bill. Enactment of H.R. 470 would not affect direct spending or receipts. Therefore pay-as-you-go procedures would not apply to this bill.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Mitchell Rosenfeld, who can be reached at 226–2860.

Sincerely,

ROBERT D. REISCHAUER.

INFLATIONARY IMPACT ANALYSIS

With respect to clause 2(l)(4) of rule XI of the Rules of the House of Representatives, the Committee reports that there should be no inflationary impact on prices and costs in the operation of the national economy by enactment of H.R. 470.

COST ESTIMATE OF LEGISLATION

With respect to clause 7(A)(1) of rule XIII of the Rules of the House of Representatives, the Committee concurs in the cost estimate submitted by Congressional Budget Office.

With respect to clause 2(A)(2) of rule XIII of the Rules of the House of Representatives, the Committee reports that no cost estimate of H.R. 470 was submitted to the Committee by a government agency.

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